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S E C R E T SECTION 01 OF 03 ISTANBUL 000131

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E.O. 12958: DECL: 03/31/2029  
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SUBJECT: A LEADING IRANIAN ANALYST'S ADVICE ON ROXANA  
SABERI, US-IRAN RELATIONS, AND IRANIAN ELECTIONS

REF: (A) 2008 ISTANBUL 310 (B) LONDON 207

11. (S/NOFORN) Summary: A leading Iranian analyst shared views with us on March 26 on Iranian-American journalist Roxane Saberi's detention, US-Iran engagement, and Iran's presidential elections. Regarding Saberi's detention, he said if the USG follows the model used in 2007 in response to Haleh Esfandiareh's detention (i.e., when a highly-regarded non-Administration figure wrote a respectful letter to Supreme Leader Khamenei appealing for her release on humanitarian grounds), it would likely speed her release. That said, he also assessed that the GOI may release her before late May in any event based on lack of criminal evidence. He praised the President's Nowruz message, and explained that we should interpret Khamenei's response simply as a request to the USG to now offer a concrete gesture -- such as creating a committee to review the issue of Iran's assets frozen by the USG, offering agricultural technology, or permitting the export of airplane spare parts to Iran. Such a gesture would strengthen Khamenei's ability to agree to bilateral engagement. The analyst also described the competition among Iran's main power centers, and offered a scenario in which Tehran Mayor Ghalibaf could win the June Presidential elections. End summary.

Saberi detention

12. (S/NF) A leading Tehran-based political and economic analyst (reftels), met with Consulate Istanbul's NEA Iran Watcher March 26. Given this analyst's key role in helping advise the USG on how to secure detained Iranian-American scholar Haleh Esfandiareh's release in summer 2007, we asked his advice on what additional steps the USG could take to facilitate Roxane Saberi's release. The analyst suggested that the USG follow the same model as in summer 2007, in which the USG itself took a relatively low profile but encouraged respected NGOs and eminent private citizens to call firmly for her release. He suggested that well-regarded non-Administration official with an interest in Saberi's case (he specifically suggested former Nebraska Senator Chuck Hagel as an example) should consider taking the same step that former Congressman and Woodrow Wilson Center Director Lee Hamilton took in August 2007, when he wrote a respectful letter directly to Iranian Supreme Leader Ali Khamenei, urging that Khamenei demonstrate Iran's commitment to justice and to humanitarian values by releasing Saberi.

13. (S/NF) The analyst speculated, however, that the GOI may decide to release Saberi in the coming month in any event, despite Iranian judicial officials having reportedly told Saberi that she could stay in detention for years. The analyst, who knows Saberi well, believes the GOI has no criminal case to make against her, and has even heard regime officials privately acknowledge that she has broken no laws. He pointed out that under Iranian law, when a defendant has

been charged with a serious crime like espionage or other activities "threatening to the state", the GOI has four months to present its evidence to the courts. He noted that the lack of evidence against Esfandiareh was one reason why Iran released her after three months in prison. Since Saberi was detained in late January 2009, the analyst believes the GOI may release her before late May, but that it will use her detention until then for leverage against the USG, and release her when it is most advantageous for Iran to do so.

#### US-Iran relations: Next Steps

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¶4. (S/NF) President Obama's Nowruz message was well-received in Iran both among the population and among the GOI's pragmatic officials, the analyst told us. He was pleased that the discussion on "effective messaging" to the regime that took place among academic experts at a March 5-8 Iran conference in Liechtenstein "had a positive impact" on the President's message, which has "dramatically changed the tone, a necessary first step to allow a careful change from both sides on the substance" of relations. He also praised the timing of the remarks, coming at the start of a two-week Iranian holiday, which limited the ability of hard-line "spoilers" to attack the message prior to Khamenei's response. He urged the USG to treat Khamenei's response, despite its standard listing of Iranian grievances against the USG, as a cautious and careful reply, and primarily as a request to the USG to follow up soonest by making a concrete gesture to back up the positive tone. "Remember that there are strong forces in Iran that do not welcome engagement with the U.S. Before Khamenei can begin to soften the rhetoric or

ISTANBUL 00000131 002 OF 003

welcome engagement, he must show that better relations with the USG will bring Iran genuine benefits."

¶5. (S/NF) The analyst urged the USG to consider offering a technical gesture which would genuinely benefit Iran without being "self-serving" to the U.S., preferably addressing a need or grievance cited in Khamenei's speech. He gave three examples: (1) The president could create a "committee of experts" to examine the complicated issue of Iran's frozen assets in the US, tasking the experts with identifying which assets are available to un-freeze and return to Iran. The committee could be asked to produce a report, with a due date after the Iranian elections. The GOI would see the formation of the committee itself as a positive gesture. (2) Given the references in Khamenei's speech to rural development and domestic wheat and water shortages, the USG could consider providing advanced agricultural and/or irrigation technology to Iran, an incentive mentioned in the P5 1's 2006 offer. (3) The USG could also reconsider lifting most restrictions on the export of aircraft spare parts for Iran's civil fleet, which many Iranians would see as a genuinely humanitarian gesture given the high accident rate of Iranian aircraft. The analyst assessed that any of these gestures from the USG would be seen as an explicit reply to Khamenei's message, would show the USG is serious, and would strengthen Khamenei's hand as he consolidates internal regime consensus to pursue incremental engagement.

#### Managing the "Power Center" Competition

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¶6. (S/NF) One likely response from Khamenei to such a gesture from the USG, the analyst added, would be to create a committee of trusted senior Iranian officials to take charge of the engagement process. On such a preeminent matter of security, Khamenei would need to make sure all major power centers have a say and a stake, while also removing the issue from the presidential campaign as well as ensuring Ahmadinejad cannot take full credit. The three most likely officials to serve on such a committee would be Majles Speaker Larijani, Khamenei's foreign policy advisor Velyati, and Supreme National Security Council Secretary Jalili. Of

those three, only Jalili is close to Ahmadinejad, though he too ultimately takes orders from Khamenei. Such a committee could be entrusted with making recommendations to the Supreme Leader on whether and how to pursue further engagement and cooperation with the USG, while also ensuring "buy-in" from Iran's key power centers.

¶17. (S/NF) The analyst explained that in Iran's complex decision-making arena, three primary power centers stand out: The Sepah/IRGC network, the business network, and the clerical network. Decisions by the regime on critical issues of security must be accepted by all three networks. According to the analyst, the key members of each network that overlap each other, and thus play a key role in leading the regime towards consensus decisions on the hardest issues, are: the existing IRGC leadership and former IRGC commanders now involved in politics (including Tehran Mayor Ghalibaf but excluding provincial Basiji leaders close to Ahmadinejad, and largely excluding the IRGC's business network), the Tehran- and Mashad-based clergy (but excluding the Qom clergy and the Friday prayer leaders), and the Bazaaris and key Bonyads (but somewhat excluding the nascent private sector, as well as the Rafsanjani family's business network). These sub-groups within the three power centers will be the most sustainable and influential in Iranian decision-making in the coming decade, he predicted, suggesting that Washington focus its analysis of Iranian decision-making on those groups.

How Ghalibaf might win  
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¶18. (S/NF) Turning to Iran's presidential elections, the analyst noted that Khatami's withdrawal was no surprise and predicted that former Majles Speaker Kerroubi will withdraw before formal candidate registration in May. It will be a three-man race, he predicted, between Ahmadinejad, Mousavi, and Ghalibaf. He noted that in the Nowruz remarks that Khamenei used to reply to President Obama, Khamenei also made an important statement about Iranian elections, confirming that he does not have a favored candidate ("I have one vote...and will not tell anyone whom to vote for, or whom not to.") Past occasions when Khamenei defended Ahmadinejad were actually examples of Khamenei defending what he perceived as too much criticism of the office of the Presidency and the GOI. Some of Khamenei's key advisors, the analyst said, were strongly opposed to an Ahmadinejad re-election, and appear to

ISTANBUL 00000131 003 OF 003

have persuaded Khamenei to take a more neutral, above-the-fray stance between now and June. "If none of the candidates are going to get a clear endorsement from the Supreme Leader, it really opens the race up", he commented.

¶19. (S/NF) The analyst assesses that the most demographically important voting bloc will be the youth vote (18-35), which makes up over 50% of the electorate. "Whichever candidates can energize that group to turn out and vote for them as a bloc, will win." He believes, however, that none of the three candidates can win a majority of votes on June 12, which would trigger a run-off between the top two vote-getters. He believes Ahmadinejad will win the most votes on June 12, but well short of a majority. He predicted that Mousavi and Ghalibaf will be competing with each other for the pragmatic, business, and reformist votes. Of those two candidates, the analyst believes Ghalibaf will earn more votes and join Ahmadinejad in the second round, as he is likely to appeal more than Mousavi to Iran's youth, to many military and IRGC voters, to Tehran residents, and to reformers suspicious of Mousavi's true political leanings. In a head-to-head vote between Ahmadinejad and Ghalibaf one week later, the analyst believes the combination of youth vote, reformist and pragmatist vote, and conservatives who dislike Ahmadinejad, could ensure a Ghalibaf victory. "Regardless of who wins, the Supreme Leader is still the final arbiter. But I think the USG would find Ghalibaf to be someone you can work with." The analyst was careful to

caveat this scenario, however, noting that from long experience analyzing Iranian politics, "anything can still happen."

Comment

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¶10. (S/NF) This analyst is a well-regarded and trusted contact of several past and present State/NEA Iran Watchers. His analysis of the inner workings of Iran's complex politics is usually correct and always insightful. He is well-connected to several of the Iranian "power centers" that he spoke about, and is committed to helping inform policy-makers on both sides on how to pursue effective engagement. We believe his advice on how to deal with the detention of Roxane Saberi, his assessment of next steps in US-Iran engagement, and of the possibility of an Ahmadinejad-Ghalibaf election run-off scenario, merit close USG attention.

Wiener